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**MAY 3 - 1999**

**Federal Communications Commission  
Office of Secretary**

March 30, 1999

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445 12th Street, SW  
TWA-325  
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

**Re: Implementation of the Subscriber Carrier Selection Changes Provisions of the  
Telecommunications Act of 1996; Policies and Rules Concerning Unauthorized Changes of  
Consumers Long Distance Carriers; CC Docket No. 94-129**


Dear Ms. Salas:

Enclosed for filing are the original and four (4) copies of a Joint Petition for Waiver, filed by MCI WorldCom, Inc. on behalf of MCI WorldCom, AT&T Corp., the Competitive Telecommunications Association, Sprint Corporation, the Telecommunications Resellers Association, Excel Telecommunications, Frontier Corporation, and Qwest Communications Corporation.

A complete set of original signatures for this joint filing will be provided promptly.

Please acknowledge receipt by affixing an appropriate notation on the copy of the Joint Petition for Waiver furnished for such purpose and remit same to bearer.

Sincerely,

  
Mary L. Brown

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**MAY 3 - 1999**

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

**Federal Communications Commission  
Office of Secretary**

<b>In the Matter of</b>	)	
	)	
<b>Implementation of the Subscriber Carrier</b>	)	
<b>Selection Changes Provisions of the</b>	)	
<b>Telecommunications Act of 1996</b>	)	
	)	<b>CC Docket No. 94-129</b>
<b>Policies and Rules Concerning</b>	)	
<b>Unauthorized Changes of Consumers by</b>	)	
<b>Long Distance Carriers</b>	)	

**JOINT PETITION FOR WAIVER**

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**March 30, 1999**

## Summary

In the *Second Order*, released December 23, 1998, the Commission promulgated new and complex liability rules that will govern in cases where consumers allege that they have been switched, without authorization, to a carrier not of their choosing. At the same time, the Commission invited carriers to submit a petition for waiver of certain of its new liability rules if carriers could devise a different but more efficient procedure for handling customer and carrier compensation for unauthorized conversions. For that reason, the Commission deferred the effective date of its liability rules for 90 days to allow carriers to propose an alternative process to govern liability.

This waiver petition, made on behalf of MCI WorldCom, Inc., AT&T Corp., Sprint Corporation, the Competitive Telecommunications Association (CompTel), the Telecommunications Resellers Association, Excel Communications, Inc, Frontier Corporation, and Qwest Communications Corporation (hereinafter "Joint Parties"), is filed in response to the Commission's invitation. In this waiver, the Joint Parties propose a voluntary, industry-funded neutral third party liability administrator system that will, for the first time, give consumers, government agencies, and carriers a *single point of contact* that will: (1) quickly resolve customer allegations of unauthorized conversion; (2) independently determine a carrier's compliance with the Commission's verification procedures; (3) honor the Commission's requirements that customers be compensated for their inconvenience; and (4) administer carrier-to-carrier liability.

The proposal differs from the Commission's announced rules in several respects: (1) for

unpaid charges incurred beginning on the 31st day from the date an unauthorized conversion occurred, the unauthorized carrier must provide the total invoice amount to the third party liability administrator, which will refer it to the preferred carrier; the preferred carrier shall bill the customer at a proxy level of 50 percent of the unauthorized carrier's total charges for service rendered on or after Day 31; (2) customers who paid their bill will receive a refund of 50 percent of their payment, provided the unauthorized carrier compensates the preferred carrier, an amount that in most cases is likely to exceed the payment a customer would receive under the Commission's rules; (3) while carriers will immediately suspend billing and collection activity for a customer raising a challenge, credits and compensation only flow once the third party administrator has been given 30 business days to decide if an unauthorized conversion occurred; and (4) carrier to carrier compensation and customer proxy payments, if applicable, are limited to the most recent three months of usage from the date of the customer complaint to the TPA. These differences permit the creation of a much more streamlined and efficient process that will operate to resolve the vast majority of complaints quickly, while providing financial disincentives for carriers to switch customers without proper authorization.

The third party liability administration plan provides substantial benefits to consumers, regulators, and the industry and should be promptly granted. The Commission has noted that a third party liability administrator could potentially operate as a single point of contact for customers who allege an unauthorized conversion. The convenience and clarity of having one number and one place to call to resolve a dispute is of substantial benefit to consumers, who today are faced with the uncertainty of not knowing which carrier to call -- their local exchange carrier, preferred carrier, or unauthorized carrier. Depending upon which carrier they call, the

information that consumers receive is not uniform. It may take them several calls to different entities before it is possible for them to be switched to their preferred carrier and obtain other requested relief. This has been a source of frustration for some consumers, and the Commission itself attributes the current increase in consumer complaints to customer confusion.

In addition, a third party liability administrator would reduce the burden on local exchange carriers in processing unauthorized conversion complaints about long distance carriers. If a third party liability administrator existed, the local exchange carriers are likely to see a reduction in complaints. In the event complaints are received, local exchange carriers could quickly and easily refer customers to the liability administrator for resolution of their complaints.

The benefits of third party administration include efficiency and substantial simplification of the entire process of resolving customer complaints. Today, a customer alleging an unauthorized conversion may contact several parties -- each of whom is trying to resolve the problem independently of the other. The resulting confusion frequently can lead to a delay in restoring the customer to its preferred carrier. Perhaps even more significantly, a third party administrator would be able to direct the flow of money between carriers on a monthly basis, providing an organized, auditable mechanism to report on carrier-to-carrier liability. This would replace the chaos that is likely to ensue with the implementation of the Commission's rules as adopted. There are no business rules in place to govern how frequently the hundreds of carriers would send bills to each other, the timing of payments, the tracking of nonpayments, or the mechanisms by which such bills would be sent (e.g., by fax, electronic, etc).

Third party administration ensures that the process of honoring customer selection of preferred carriers is governed by a system that places a premium on integrity and equity. A

neutral, third party administrator -- not a preferred carrier with obvious competitive motivations as provided for in the Commission's rules -- will make its decision based on the evidence concerning whether an unauthorized conversion has occurred. Ensuring fairness in the initial resolution of customer complaints is a critical step in ensuring that, in the consumer's experience, complaints are resolved correctly. Similarly, if carriers believe a complaint resolution process works equitably to resolve concerns, they are more likely to utilize it.

Third party liability administration also enables regulators to more easily focus enforcement resources on carriers who appear to affirmatively ignore Commission requirements. Similar benefits accrue to other governmental agencies, such as state regulatory commissions, and state attorney general offices. A third party administrator can provide standardized reporting that can, in relatively short order, identify spikes in activity that suggest possible violations warranting further investigation. The more complaints that are referred to the administrator -- including complaints involving nonparticipating carriers -- the greater the universe of information that the administrator will be able to draw upon and to report to regulators and attorneys general.

In addition, relative to the announced rules, the third party administrator process is likely to result in the reduction of the volume of complaints that federal and state authorities currently adjudicate, since customers can in the first instance be referred to the third party administrator for resolution of their complaints. Only those customers or carriers that believe the dispute resolution process did not produce a fair result are likely to ask for further regulatory involvement in resolving an allegation of unauthorized conversion. Moreover, the third party administrator process is likely to result in faster resolution of customer complaints than the

Commission's announced method, which on paper would take at minimum three to four months, and in practice is likely to take longer. The third party administrator proposal would result in resolution of the vast majority of complaints in 30 business days.



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 ) CC Docket No. 94-129  
Policies and Rules Concerning Unauthorized )  
Changes of Consumers by Long Distance )  
Carriers )

**JOINT PETITION FOR WAIVER**

In the *Second Report and Order* in the above-captioned docket,<sup>1</sup> the Federal Communications Commission ("Commission") published new rules that, among other things, apply to authorized and unauthorized changes of preferred carriers by customers. As described by the Commission, the new rules implement section 258 of the Telecommunications Act of 1996, which provides that the Commission shall prescribe verification procedures that carriers must use when a carrier seeks to implement a customer change request, and that requires unauthorized carriers to compensate authorized carriers if the unauthorized carrier has collected payment from a customer. In its decision, the Commission promulgated elaborate and complex rules that require compensation and/or credits to customers who have been switched without authorization.

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<sup>1</sup> Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996, Policies and Rules Concerning Unauthorized Changes of Consumers by Long Distance Carriers, *Second Report and Order and Further Notice of Proposed Rulemaking*, CC Docket No. 94-129, FCC 98-334, released December 23, 1998 (hereinafter "*Second Order*"). A summary of the decision was published at 64 F.R. 7746, February 16, 1999, as modified by 64 F.R. 9219, February 24, 1999.

While the *Second Order* promulgated liability rules, the Commission simultaneously invited carriers to submit a petition for waiver of certain of its new liability rules if carriers could devise a different but more efficient procedure for handling customer and carrier compensation for unauthorized conversions.<sup>2</sup> For that reason, the Commission deferred the effective date of its liability rules for 90 days to allow carriers to propose an alternative process to govern liability.

This waiver petition, made on behalf of MCI WorldCom, Inc., AT&T Corp., Sprint Corporation, the Competitive Telecommunications Association (CompTel), the Telecommunications Resellers Association, Excel Telecommunications, Inc, Frontier Corporation, and Qwest Communications Corporation (hereinafter "Joint Parties"), is filed in response to the Commission's invitation. In this waiver, the Joint Parties propose a voluntary neutral third party liability administrator system that will, for the first time, give consumers, government agencies, and carriers a *single point of contact* that will: (1) quickly resolve customer allegations of unauthorized conversion; (2) independently determine a carrier's compliance with the Commission's verification procedures; (3) honor the Commission's requirements that customers be compensated for their inconvenience; and (4) administer carrier-to-carrier liability. The proposal differs from the Commission's announced rules in several respects: (1) for unpaid charges incurred beginning on the 31st day from the date an unauthorized conversion occurred, the unauthorized carrier must provide the total invoice amount to the third party liability administrator, which will refer it to the preferred carrier; the preferred carrier shall bill the customer at a proxy level of 50 percent of the unauthorized carrier's total charges for

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<sup>2</sup> *Second Order* at paras. 55-57.

service rendered on or after Day 31<sup>3</sup>; (2) customers who paid their bill will receive a refund of 50 percent of their payment, provided the unauthorized carrier compensates the preferred carrier, an amount that in most cases is likely to exceed the payment a customer would receive under the Commission's rules; (3) while carriers will immediately suspend billing and collection activity for a customer raising a challenge, credits and compensation only flow once the third party administrator has been given 30 business days to decide if an unauthorized conversion occurred; and (4) carrier to carrier compensation and customer proxy payments, if applicable, are limited to the most recent three months of usage from the date of the customer complaint to the TPA. These differences permit the creation of a much more streamlined and efficient process that will operate to resolve the vast majority of complaints quickly, while providing financial disincentives for carriers to switch customers without proper authorization.<sup>4</sup>

The Joint Parties request that the Commission waive the following liability rules for carriers electing to participate in neutral third party liability administration: section 64.1100(c); section 64.1100 (d); section 64.1170; and section 64.1180. In place of these rules, the participating carriers would utilize a neutral third party liability administrator, as detailed in this

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<sup>3</sup> Of course, customers will receive a full (100 percent) credit from the unauthorized carrier to the extent billing occurred, and all further billing and collection activity shall cease.

<sup>4</sup> The Joint Parties offer this waiver proposal within the framework outlined by the Commission in the *Second Order*, namely, that the waiver process adhere to the basic construct the Commission created. Many of the Joint Parties have filed Petitions for Reconsideration, arguing, *inter alia*, that the Commission's rules are not lawful and should be changed. Nothing in this waiver should be construed as an admission by the Joint Parties that the rules as promulgated are lawful and should remain in effect. Furthermore, if this waiver request is granted and the Commission ultimately decides to amend its rules on reconsideration, the Joint Parties would expect that the Commission would simultaneously or subsequently amend the operation of the third party liability administrator in order to reflect its amended policies.

filing.

In addition to this waiver petition, the Joint Parties are simultaneously filing a separate Motion for Extension of the Effective Date of Rules Or, In the Alternative, For A Stay. The motion seeks to defer the implementation of the Commission's liability rules by up to six months to permit the industry to constitute a governing board, issue a request for proposal, allow time for vendor response, select a vendor, and allow the vendor an opportunity to organize and initiate service.<sup>5</sup> The Joint Parties have designed the proposal to be as streamlined and efficient as possible, so that third party administration of customer complaints can become a reality quickly. The proposal, however, is ambitious, represents a sea change in carrier practices, and requires the formation of an enterprise that today does not exist. The Joint Parties are therefore requesting a short delay in the effective date of the Commission rules to permit a third party liability administrator proposal to be implemented.<sup>6</sup>

The following discussion first describes the background of this issue, a detailed description of the third party liability administrator proposal, and the good cause reasons why this waiver should be granted. The proposal has been the subject of extensive industry discussions and consultations with other interested parties, including consumer groups, prior to offering this

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<sup>5</sup> Alternatively, if the waiver request is denied, the Motion seeks stay of the *Second Order* pending reconsideration.

<sup>6</sup> Based upon consultations with industry participants, the Joint Parties believe that a significant portion of the industry will elect to participate in the alternative processes requested in this waiver petition. For that reason, requiring the industry to implement the Commission's announced rules in May, only to change those rules a few months later, would produce unnecessary confusion among consumers, and impose substantial burdens upon those seeking to move quickly toward the improved system outlined here. The Joint Parties are accordingly requesting a stay of the rules as to all carriers to permit the third party liability administrator to be established.

filing to the Commission.

## I. BACKGROUND

In its *Second Order*, the Commission adopted new rules that govern carrier practices when a customer alleges that his or her service is no longer being provided by a preferred carrier. According to the Commission, the new rules are intended to curb the frequency of unauthorized conversions, and in addition, implement section 258 of the Telecommunications Act of 1996.<sup>7</sup> Section 258 requires the Commission to prescribe verification procedures that carriers shall use to ensure that the customer's selection of preferred carrier is correctly implemented. The statute further requires that unauthorized carriers "... shall be liable to the carrier previously selected by the subscriber in an amount equal to all charges paid by such subscriber after such violation ... ." per the procedures the Commission may choose to prescribe. The following discussion describes, in brief, the rules adopted in the *Second Order*.

In response to section 258, and as part of its ongoing oversight of unauthorized conversion complaints, the Commission adopted significant changes to its rules with respect to unauthorized conversions. First, the Commission said, it would provide at the customer's option, an opportunity to forgo payment for calls occurring during the first 30 days after the date of an unauthorized conversion, in order to compensate customers for inconvenience in reestablishing service with their preferred carrier.<sup>8</sup> The Commission further specified that any carrier receiving

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<sup>7</sup> 47 U.S.C. Section 258.

<sup>8</sup> *Second Order* at para. 18. The preferred carrier is required, where possible, to reinstate the customer in whatever premium plans (e.g., frequent flyer programs) that the customer was enrolled in at the time of the slam, if the customer's enrollment in such a plan was terminated as

a customer's call alleging an unauthorized conversion must advise the customer that the customer is not obligated to pay for service for up to 30 days from the date the unauthorized conversion occurred.<sup>9</sup>

Additional carrier requirements also apply, although these differ depending on whether the customer elects to pay the unauthorized carrier's bill, or to take advantage of the "absolution" period by not paying for the specified 30-day period. In cases where the customer has paid the unauthorized carrier, while simultaneously asserting that the unauthorized carrier is not his or her preferred carrier, the burden shifts to the preferred carrier to solicit from the alleged unauthorized carrier proof of verification pursuant to one of the three methods the Commission has authorized.<sup>10</sup> Specifically, the preferred carrier has 30 days to request proof of verification, and the allegedly unauthorized carrier has 10 days to provide its proof to the preferred carrier.<sup>11</sup>

If, in the estimation of the preferred carrier, the verification is valid then no unauthorized conversion occurred.<sup>12</sup> It would appear that no further action is required -- although the customer paid the bill, the bill was paid to a carrier that at all times held valid permission to serve that customer. If, however, the alleged unauthorized carrier produces no valid verification, then

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a result of the unauthorized conversion. Section 64.1170(e) of the Commission's rules, *to be codified at* 47 C.F.R. § 64.1170(e).

<sup>9</sup> Section 64.1100(d), *to be codified at* 47 C.F.R. § 64.1100(d).

<sup>10</sup> *Second Order* at para. 76 and Section 64.1150 (authorizing written letters of authorization, electronic authorization, and independent third party verification).

<sup>11</sup> Section 64.1170(a-d) of the Commission's Rules, *to be codified at* 47 C.F.R. § 64.1170 (a-d).

<sup>12</sup> The proof offered must be "clear and convincing." *Second Order* at para. 44.

it must remit the customer's payment to the preferred carrier, along with any costs the preferred carrier incurred to collect the payment, as well as any change charges imposed by the local exchange carrier.<sup>13</sup> In addition, the unauthorized carrier must provide to the preferred carrier a copy of the customer's bill.

For those customers who have paid their bill, a complex crediting process ensues. Using the copy of the customer's bill, the preferred carrier must re-rate the customer's calls using the preferred carrier's rate schedules and tariffs. At the time the preferred carrier receives its payment from the unauthorized carrier, any "excess" that the preferred carrier collects from the unauthorized carrier, over and above what the customer would have been charged by the preferred carrier, must be remitted to the customer. The preferred carrier has 60 days to collect customer's charges from the unauthorized carrier. At the end of that period, the preferred carrier must advise the customer of its inability to collect the charges from the unauthorized carrier, so that the customer can itself pursue a Commission complaint if the customer so chooses.

The rules that apply when a customer declines to pay its bill are even more complex and probably impossible to implement. A customer that has declined to pay an allegedly unauthorized carrier immediately receives the benefit of having up to 30 days of charges removed from its bill, calculated from the date when the unauthorized conversion occurred.<sup>14</sup> In addition, as in the case of the customer who paid, the customer is immediately converted to its preferred carrier. At that point, the burden of moving forward to resolve the dispute lies with the allegedly

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<sup>13</sup> Section 64.1100(c ), *to be codified at* 47 C.F.R. § 64.1100(c ).

<sup>14</sup> Section 64.1180(b) of the Commission's Rules, *to be codified at* 47 C.F.R. § 64.1180(b).



unauthorized carrier. The allegedly unauthorized carrier has 30 days from the date of notice that an unauthorized conversion has occurred to produce a record of its valid verification for the customer, and to submit its proof to the preferred carrier.<sup>15</sup> The preferred carrier then has an additional 60 days to examine the evidence, investigate the allegations and evidence with the participants, and render a verdict as to whether an unauthorized conversion occurred.<sup>16</sup>

If the now-preferred carrier decides the verification produced by the allegedly unauthorized carrier is valid, the preferred carrier then proceeds to attempt to collect from its customer the amounts previously deleted from the customer's bill by the allegedly unauthorized carrier. Upon payment by the customer, the preferred carrier remits this amount to the allegedly unauthorized carrier. In this case, the allegedly unauthorized carrier was in fact authorized at all times; therefore, the customer owes and should pay for its use of service. Of course, the customer remains with its now-preferred carrier.

If, however, the preferred carrier decides that an unauthorized conversion has occurred, it advises the alleged unauthorized carrier that the initial customer credit was appropriate. The allegedly unauthorized carrier loses up to 30 days of revenue from that customer, and the customer remains with its now-preferred carrier.

In its *Second Order*, the Commission simultaneously invited carriers to propose an alternative system, using a third party administrator, to achieve the same policy objectives, but

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<sup>15</sup> Section 64.1180(c) of the Commission's Rules, *to be codified at* 47 C.F.R. § 64.1180(c).

<sup>16</sup> Section 64.1180 (d-e) of the Commission's Rules, *to be codified at* 47 C.F.R. § 64.1180 (d-e).

using mechanisms that were more efficient and more streamlined.<sup>17</sup> For example, the Commission emphasized the benefit of having one point of contact that customers could use to resolve complaints about unauthorized conversions. Of significant benefit, the Commission stated, would be that customer complaints could be directed to the administrator, eliminating the cost to local exchange carriers of fielding complaints from their local subscribers. In addition, the Commission noted that having a third party to adjudicate liability would be more beneficial than the system adopted in the *Second Order* that requires the preferred carrier to make the liability decision.

To permit carriers to develop and propose such a system, the Commission decided to defer the effective date of several of its liability rules until 90 days after publication of the item summary in the Federal Register. Rules normally take effect in 30 days. Specifically, the rules deferred are:

Section 64.1100(c): in cases where the customer elects to pay, provides that the unauthorized carrier is liable to the preferred carrier in an amount equal to the customer's charges;

Section 64.1100 (d): creates a 30-day "absolution period" so that the subscriber may elect not to pay the allegedly unauthorized carrier for 30 days after an unauthorized change occurred; further subsections of the rule govern how a preferred carrier must re-rate and bill for calls after Day 31, preferred carrier obligations to refund monies collected from the unauthorized carrier in excess of what the calls would have cost using the preferred carrier's charges, and unauthorized carrier liability to pay the local exchange carrier change charge;

Section 64.1170: where a customer has elected to pay, this rule governs reimbursement of charges; rule also requires restoration of premium programs; and

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<sup>17</sup> *Second Order* at paras. 55-57.

Section 64.1180: sets forth investigation procedures that preferred carriers follow in deciding whether an unauthorized conversion occurred; requires unauthorized carriers to remove from the subscriber's bill 30 days of charges.

In addition, the Commission stated that, in supplying a waiver petition for these rules, carriers should adhere to several specific policy goals and requirements.<sup>18</sup> First, a third party liability administrator proposal should honor the Commission's intention to absolve customers of up to 30 days' worth of charges, including the requirement that charges be removed from customers' bills. Second, in cases where an unauthorized conversion has occurred, charges incurred on Day 31 or later should result in the customer paying at the preferred carrier's rates, not at the unauthorized carrier's rates, and the payment should be made to the preferred carrier. Finally, if the customer has paid the allegedly unauthorized carrier, the neutral administrator must ensure that, if an unauthorized conversion has occurred, the unauthorized carrier remit all payments to the authorized carrier, and that the customer receives a refund or credit of any amount paid in excess of its preferred carrier's rates. If the authorized carrier was unable to collect monies that the subscriber had paid, the administrator would need to notify the subscriber of his or her rights to pursue a Commission complaint.

## II. DISCUSSION

### A. Third Party Liability Administration

#### 1. Third Party Liability Administration Will Benefit Consumers, Regulators and Carriers

The Commission has itself noted some of the benefits that would accrue in an

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<sup>18</sup> *Second Order* at para. 56.

environment where a third party liability administrator was available to manage and resolve customer complaints of unauthorized conversions. The Commission has noted that a third party liability administrator could potentially operate as a single point of contact for customers who allege an unauthorized conversion. The convenience and clarity of having one number and one place to call to resolve a dispute is of substantial benefit to consumers, who today are faced with the uncertainty of not knowing which carrier to call -- their local exchange carrier, preferred carrier, or unauthorized carrier. Depending upon which carrier they call, the information that consumers receive is not uniform. It may take them several calls to different entities before it is possible for them to be switched to their preferred carrier and obtain other requested relief. This has been a source of frustration for some consumers, and the Commission itself attributes the current increase in consumer complaints to customer confusion.

In addition, a third party liability administrator would reduce the burden on local exchange carriers in processing unauthorized conversion complaints about long distance carriers. If a third party liability administrator existed, the local exchange carriers are likely to see a reduction in complaints. In the event complaints are received, local exchange carriers could quickly and easily refer customers to the liability administrator for resolution of their complaints.

The benefits of third party administration include efficiency and substantial simplification of the entire process of resolving customer complaints. Today, a customer alleging an unauthorized conversion may contact several parties -- each of whom is trying to resolve the problem independently of the other.<sup>19</sup> The resulting confusion frequently can lead to a delay in restoring the customer to its preferred carrier. Perhaps even more significantly, a third party

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<sup>19</sup> *Second Order* at para. 57.

administrator would be able to direct the flow of money between carriers on a monthly basis, providing an organized, auditable mechanism to report on carrier-to-carrier liability. This would replace the chaos that is likely to ensue with the implementation of the Commission's rules as adopted. There are no business rules in place to govern how frequently the hundreds of carriers would send bills to each other, the timing of payments, the tracking of nonpayments, or the mechanisms by which such bills would be sent (e.g., by fax, electronic, etc).

Third party administration ensures that the process of honoring customer selection of preferred carriers is governed by a system that places a premium on integrity and equity. A neutral, third party administrator -- not a preferred carrier with obvious competitive motivations as provided for in the Commission's rules -- will make its decision based on the evidence concerning whether an unauthorized conversion has occurred. Ensuring fairness in the initial resolution of customer complaints is a critical step in ensuring that, in the consumer's experience, complaints are resolved correctly. Similarly, if carriers believe a complaint resolution process works equitably to resolve concerns, they are more likely to utilize it.

At present, bias on the part of the decision-maker is highly likely to produce results that are skewed in favor of the decision-maker, in this case, the preferred carrier. While that may satisfy some consumers, inequities in the resolution of customer complaints will result in both consumer-filed and carrier-filed complaints. In such an environment, it is highly likely that the Commission would find itself with the unfortunate prospect of having engendered an enormous number of complaints that are difficult to process in a reasonable time, with the likely result that it would need to reconsider its rules yet again.

Third party liability administration also enables regulators to more easily focus